



SHERYL L. SPILLER  
Director

County of Los Angeles  
**DEPARTMENT OF PUBLIC SOCIAL SERVICES**  
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## ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

August 21, 2012

13 August 21, 2012

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

Dear Supervisors:

**RECOMMENDATION TO APPROVE A TWELVE-MONTH EXTENSION OF THE STATEWIDE  
FINGERPRINT IMAGING SYSTEM AGREEMENT  
(ALL DISTRICTS - 3 VOTES)**

**SUBJECT**

The Department of Public Social Services (DPSS) seeks an extension of the current Statewide Fingerprint Imaging System (SFIS) Terminal Operator Services contract with Real Time Staffing Services, Inc., dba Select Staffing, for a 12-month period, effective October 1, 2012.

**IT IS RECOMMENDED THAT YOUR BOARD:**

Delegate authority to the Director of DPSS or her designee, to execute an amendment to extend the SFIS contract with Real Time Staffing Services, Inc., dba Select Staffing, contract number 76060, in substantially similar form as Enclosure A. The current term of the contract is April 1, 2007 through September 30, 2012. The amendment will extend the contract for 12 months, effective October 1, 2012 through September 30, 2013, for the provision of fingerprint imaging for California Work Opportunity and Responsibility to Kids (CalWORKs) and General Relief (GR) applicants and participants. The contract cost for the 12-month extension period is \$1,434,962 which has been included in the Department's Fiscal Year (FY) 2012-13 Budget. Funding for FY 2013-14 will be requested in the Department's annual budget request.

**PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

CalWORKs and GR applicants are required to be fingerprinted at the time they apply for benefits. The SFIS is intended to prevent duplicate welfare assistance. The recommended action is necessary to continue to provide fingerprint imaging services in 31 DPSS district offices and in the Men's Central Jail without interruption, while completing the Request for Proposals (RFP)

competitive solicitation process. The current contract expires on September 30, 2012. Without the 12-month extension, SFIS Terminal Operator Services will no longer be available for CalWORKs and GR applicants and participants.

The SFIS Terminal Operator Services program has proven to be an effective tool in fighting fraud in the County's CalFresh, CalWORKs and GR programs. In October 2011, the Governor signed into law a modified version of Assembly Bill 6 that eliminated the fingerprint imaging requirements for CalFresh applicants and participants. This change delayed the RFP solicitation process. The Department requested, and was granted, a six-month extension to the current contract, through September 30, 2012.

The Department issued the RFP in November 2011 and three proposals were received. In April 2012, it was discovered that there were ambiguous and inadequate specifications in the RFP. After consultation with County Counsel, the Department elected to cancel the RFP. The Department is requesting a 12-month extension of the current contract to: 1) ensure that there is no break in service delivery; 2) allow the Department to revise and re-issue the RFP; and 3) allow time to complete the solicitation process prior to awarding the contract. The Department will re-issue the RFP as soon as possible to ensure a new contract is in place by September 30, 2013.

### **Implementation of Strategic Plan Goals**

The recommended actions are consistent with the principles of the Countywide Strategic Plan's Goal #1 – Operational Effectiveness: Maximize the effectiveness of processes, structure, and operations to support timely delivery of customer-oriented and efficient public services.

### **FISCAL IMPACT/FINANCING**

The cost of the contract for this extension period is \$1,076,221 for nine months in FY 2012-13 and \$358,741 for three months in FY 2013-14, for a total cost of \$1,434,962 over the 12-month contract extension period. Since there is a CalWORKs Maintenance of Effort requirement, which will be met by the County, there is no additional net County cost (NCC) for the CalWORKs program. The share of costs associated with programs such as General Relief result in an estimated NCC amount of \$129,147. Sufficient funding has been included in the Department's FY 2012-13 Budget and will be included in the FY 2013-14 Initial Budget request.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The current contract was effective April 1, 2007 through March 31, 2010. On March 9, 2010, the Board approved a two-year extension through March 31, 2012, under the Contract Extension/Reduction Initiative plan. The contractor reduced their contract budget by five percent, with an additional 1.5 percent reduction in costs for expedited payments in exchange for the two-year extension.

On March 6, 2012, the Board approved an amendment to extend the SFIS contract, effective April 1, 2012 through September 30, 2012. The contract budget reduction continued for this six-month period, which provided the County with additional cost savings. The County will continue to realize these savings for the 12-month extension through September 30, 2013.

California Department of Social Services approved the extension of the contract for an additional 12 months. DPSS will extend the contract for the additional 12-months at the reduced rate, as described herein, to continue the provision of fingerprint services. County Counsel has reviewed this

Board letter and has approved the contract amendment as to form. The contract amendment will not result in the unauthorized disclosure of confidential information and will be in full compliance with federal, State and County regulations. As this is a contract under the provisions of County Code Section 2.121 et. seq. (Proposition A), the Contractor is currently in compliance with all requirements per the Los Angeles County Code Section 2.201, Living Wage Program. Further, the contract is cost-effective, operationally feasible and meets all the provisions of Proposition A.

### **CONTRACTING PROCESS**

The monitoring of the SFIS Terminal Operator Services contract is performed on an annual basis. Results from the most recent monitoring period of April 1, 2011 through March 31, 2012 indicated that the Contractor was in compliance with contract requirements.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

The recommended action will not infringe on the role of the County in its relationship to its residents, and the County's ability to respond to emergencies will not be impaired. There is no change in risk exposure to the County. The contract will not result in reduced services.

### **CONCLUSION**

Upon Board approval, the Executive Officer, Board of Supervisors, is requested to return one adopted stamped Board letter to DPSS.

Respectfully submitted,



SHERYL L. SPILLER

Director

SLS:rh

Enclosures

c: Chief Executive Officer  
County Counsel  
Executive Officer, Board of Supervisors  
Deputy Chief Executive Officer

**AMENDMENT NUMBER THREE TO THE  
STATEWIDE FINGERPRINT IMAGING SYSTEM  
TERMINAL OPERATOR SERVICES  
CONTRACT # 76060**

Reference is made to the document entitled "Statewide Fingerprint Imaging System (SFIS) Terminal Operator Services Agreement" by and between County of Los Angeles and Contractor Real Time Staffing Services, Inc. dba Select Staffing dated March 13, 2007, Amendment Number One dated March 31, 2010, and Amendment Number Two dated March 26, 2012 and further identified as County Contract Number 76060 (collectively hereinafter referenced as "Contract").

WHEREAS, Real Time Staffing Services, Inc. dba Select Staffing ("Contractor") is a private firm specializing in providing Statewide Fingerprint Imaging System (SFIS) services for Los Angeles County ("County");

WHEREAS, Contractor has changed its fictitious business name from SelectRemedy to Select Staffing, effective with Amendment Number One;

WHEREAS, Amendment Number Three will extend the term of the Contract to September 30, 2013; and

WHEREAS, the SFIS services is a Proposition A contract and the County has determined that this Contract continues to be cost-effective; and

WHEREAS, funding for the services of CalWORKs program cases is from CalWORKs Single Allocation,

NOW, THEREFORE, County and Contractor hereby agree to amend this Contract as follows:

- I. This Amendment shall commence upon execution.
- II. **Contract, Section 4.0, TERM OF CONTRACT, Paragraph 4.3** is deleted in its entirety and replaced as follows:
  - 4.3 Subject to the termination provision set forth herein, the term of this Contract shall commence on April 1, 2007 and shall expire on September 30, 2013.

III. **Contract, Section 5.0, CONTRACT AMOUNT Subparagraph 5.1** is deleted in its entirety replaced as follows:

**5.1** The maximum not to exceed amount for the entire Contract period is \$9,554,345.

IV. **Contract, Section 5.0, CONTRACT AMOUNT Subparagraph 5.2** is deleted in its entirety replaced as follows:

**5.2** Payment to Contractor shall be made in arrears on a monthly basis, at the hourly rates specified below for services performed, provided that Contractor is not in default under provision of this Contract and has submitted a complete and accurate invoice due with supporting documentation (District Timesheets), attached to the Invoice (Technical Exhibit 8.0). Contractor shall comply with all wage and hour laws and all applicable provisions of the Federal Fair Labor Standards Act.

**5.2.1** Between April 1, 2007 through March 31, 2010 the hourly rate shall be \$16.34 for regular hours worked and \$24.51 for overtime hours worked.

**5.2.2** Between April 1, 2010 through until this Contract expires or terminates the hourly rate shall be \$15.52 for regular hours worked and \$20.95 for overtime hours worked.

**5.2.2.1** The above hourly rate is subject to the agreed upon reduction in cost by the Contractor for this period. Contractor shall refund to County during this period a total of \$5,530 that shall be paid to the County by deducting \$500 per month from the invoice beginning February 2010 until the amount of \$5,530 is paid in full.

V. Attachment B, Contractor Budget Sheet and Employee Benefits and Attachment B, Contractor Budget and Employee Benefits for FY 2009-2012, are both deleted in their entirety and replaced with Attachment B-1, Contractor's Budget Sheet, attached hereto and incorporated in by reference. All references to Attachment B shall hereafter be replaced by Attachment B-1.

All other provisions, terms and conditions of this Contract shall remain in full force and effect.

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The parties hereto have caused this Amendment Number Three to be executed by their authorized officers.

**COUNTY OF LOS ANGELES**

By: \_\_\_\_\_ Date \_\_\_\_\_  
Sheryl L. Spiller, Director  
Department of Public Social Services

**REAL TIME STAFFING SERVICES, INC.  
DBA: SELECT STAFFING**

By: \_\_\_\_\_ Date \_\_\_\_\_  
Paul Sorensen

Title: \_\_\_\_\_  
President

By: \_\_\_\_\_ Date \_\_\_\_\_  
Rob Olsen

Title: \_\_\_\_\_  
Chief Financial Officer/Secretary

APPROVED AS TO FORM:

JOHN F. KRATTLI  
COUNTY COUNSEL

By: \_\_\_\_\_ Date \_\_\_\_\_  
Allison Morse  
Senior Deputy County Counsel

## Contractor's Budget Sheet: April 1, 2007 through March 31, 2010

## SFIS TERMINAL OPERATORS SERVICES – BUDGET SHEET FORMAT

	Regular Hourly Cost	Overtime Hourly Cost
<b>DIRECT COST</b>		
SFIS Terminal Operator Hourly Wage	<u>\$11.84</u>	<u>\$17.76</u>
Payroll Taxes (List all appropriate)		
FICA.....	<u>\$0.91</u> .....	<u>\$1.36</u>
FUTA.....	<u>\$0.09</u> .....	<u>\$0.14</u>
SUI.....	<u>\$0.73</u> .....	<u>\$1.10</u>
Workers' Compensation.....	<u>\$0.47</u> .....	<u>\$0.47</u>
Total Payroll Taxes.....	<u>\$2.20</u> .....	<u>\$3.07</u>
Employee Benefits		
Medical Insurance.....	<u>\$0.00</u> .....	<u>\$0.00</u>
Dental Insurance.....	<u>\$0.00</u> .....	<u>\$0.00</u>
Life Insurance.....	<u>\$0.00</u> .....	<u>\$0.00</u>
Other: 1500 Hour Service Bonus *, 5 paid Jury Service Days		
5 paid Holidays **.....	<u>\$0.65</u> .....	<u>\$0.65</u>
Total Employee Benefits.....	<u>\$0.65</u> .....	<u>\$0.65</u>
Other Direct Costs		
Insurance.....	<u>\$0.03</u> .....	<u>\$0.03</u>
Supplies.....	<u>\$0.08</u> .....	<u>\$0.08</u>
Postage.....	<u>\$0.02</u> .....	<u>\$0.02</u>
Office Equipment.....	<u>\$0.11</u> .....	<u>\$0.11</u>
Telephone/Utilities.....	<u>\$0.05</u> .....	<u>\$0.05</u>
Space.....	<u>\$0.16</u> .....	<u>\$0.16</u>
Other.....	<u>\$0.00</u> .....	<u>\$0.00</u>
Total Other Direct Costs.....	<u>\$0.45</u> .....	<u>\$0.45</u>
<b>TOTAL DIRECT COSTS</b>	<u><b>\$15.14</b></u>	<u><b>\$21.93</b></u>
<b>INDIRECT COSTS</b>		
General Accounting/Bookkeeping.....	<u>\$0.19</u> .....	<u>\$0.19</u>
Management Overhead.....	<u>\$0.24</u> .....	<u>\$0.24</u>
Other – 5% Long-term Assignment Credit .....	<u>\$&lt;.02&gt;</u> .....	<u>\$&lt;.02&gt;</u>
<b>TOTAL INDIRECT COSTS</b>	<u><b>\$0.41</b></u>	<u><b>\$0.41</b></u>
<b>TOTAL DIRECT AND INDIRECT COSTS.....</b>	<u><b>\$15.55</b></u> .....	<u><b>\$22.34</b></u>
<b>PROFIT (Percentage: Regular Time-4.0%</b>		
Overtime-3.1%).....	<u><b>\$0.79</b></u> .....	<u><b>\$2.17</b></u>
<b>TOTAL PROPOSED HOURLY COST.....</b>	<u><b>\$16.34</b></u> .....	<u><b>\$24.51</b></u>

\*In lieu of paid vacation, SelectRemedy extends an 1800 hour bonus. This bonus is applicable for each 1800 hours worked (approximately 10 months).

\*\* Staff must work the business day before and the business day after a paid holiday in order to be eligible for paid holiday pay.

Jury Duty – Number of days = 5 per year

## Contractor's Budget Sheet: April 1, 2010 through September 30, 2013

## SFIS TERMINAL OPERATORS SERVICES – BUDGET SHEET FORMAT

	Regular Hourly Cost	Overtime Hourly Cost
<b>DIRECT COST</b>		
<b>SFIS Terminal Operator Hourly Wage</b>	<b><u>\$11.84</u></b>	<b><u>\$17.76</u></b>
<b>Payroll Taxes (List all appropriate)</b>		
FICA.....	<u>\$0.91</u> .....	<u>\$0.91</u>
FUTA.....	<u>\$0.09</u> .....	<u>\$0.09</u>
SUI.....	<u>\$0.73</u> .....	<u>\$0.73</u>
Workers' Compensation.....	<u>\$0.47</u> .....	<u>\$0.47</u>
<b>Total Payroll Taxes.....</b>	<b><u>\$2.20</u>.....</b>	<b><u>\$2.20</u></b>
<b>Employee Benefits</b>		
Medical Insurance.....	<u>\$0.00</u> .....	<u>\$0.00</u>
Dental Insurance.....	<u>\$0.00</u> .....	<u>\$0.00</u>
Life Insurance.....	<u>\$0.00</u> .....	<u>\$0.00</u>
Other: 1800 Hour Service Bonus *, up to 5 paid Jury Service Days 5 paid Holidays **.....	<u>\$0.55</u> .....	<u>\$0.55</u>
<b>Total Employee Benefits.....</b>	<b><u>\$0.55</u>.....</b>	<b><u>\$0.55</u></b>
<b>Other Direct Costs</b>		
Insurance.....	<u>\$0.03</u> .....	<u>\$0.03</u>
Supplies.....	<u>\$0.08</u> .....	<u>\$0.08</u>
Postage.....	<u>\$0.02</u> .....	<u>\$0.02</u>
Office Equipment.....	<u>\$0.03</u> .....	<u>\$0.03</u>
Telephone/Utilities.....	<u>\$0.05</u> .....	<u>\$0.05</u>
Space.....	<u>\$0.05</u> .....	<u>\$0.05</u>
Other.....	<u>\$0.00</u> .....	<u>\$0.00</u>
<b>Total Other Direct Costs.....</b>	<b><u>\$0.26</u>.....</b>	<b><u>\$0.26</u></b>
<b>TOTAL DIRECT COSTS</b>	<b><u>\$14.85</u></b>	<b><u>\$20.77</u></b>
<b>INDIRECT COSTS</b>		
General Accounting/Bookkeeping.....	<u>\$0.08</u> .....	<u>\$0.00</u>
Management Overhead.....	<u>\$0.12</u> .....	<u>\$0.00</u>
Other – 5% Long-term Assignment Credit .....	<u>\$&lt;.02&gt;</u> .....	<u>\$0.00</u>
<b>TOTAL INDIRECT COSTS</b>	<b><u>\$0.18</u></b>	<b><u>\$0.00</u></b>
<b>TOTAL DIRECT AND INDIRECT COSTS.....</b>	<b><u>\$15.03</u>.....</b>	<b><u>\$20.77</u></b>
<b>PROFIT (Percentage: Regular Time-3.2% Overtime-0.8%).....</b>	<b><u>\$0.49</u>.....</b>	<b><u>\$0.18</u></b>
<b>TOTAL PROPOSED HOURLY COST.....</b>	<b><u>\$15.52</u>.....</b>	<b><u>\$20.95</u></b>

\*In lieu of paid vacation, Select Staffing extends an 1800 hour bonus. This bonus is applicable for each 1800 hours worked (approximately 10 months).

\*\* Staff must work the business day before and the business day after a paid holiday in order to be eligible for paid holiday pay.

Jury Duty – Number of days = 5 per year